

**Remarks**

Claims 1-15 are pending in the above-identified application. Claims 1, 7, and 13 are amended, claims 4-6 and 10-12 are allowed, and claims 2, 3, 8, 9, 14 and 15 are original.

The Examiner rejected claims 1-3, 7-9 and 13-15 under 35 U.S.C. 102(a) as being anticipated by Karlsson et al. (U. S. Patent 6,961,340).

The following legal requirement is quoted from MPEP 2131 and establishes what is required to sustain a rejection under 35 U.S.C. §102. "A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." Verdegaal Bros. v. Union Oil Co. of California, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987).

With this amendment Applicant has amended the independent claims of 1, 7 and 13. For example, the following features have been added to each of the independent claims: "allocating individual CIDs to transcoder channels on an as needed basis without a fixed relationship between external PVCs and transcoder channels; and establishing a substantially even distribution of calls among the encoders irrespective of any uneven call load on the external PVCs".

Karlsson does not disclose or suggest these features and therefore the amended claims are not anticipated by Karlsson.

The dependent claims include all the limitations of the independent claims upon which they depend, and therefore for the reasons set forth above with regards to the independent claims, these dependent claims are deemed to be allowable over any combination of the cited prior art.

The Examiner has allowed claims 4-6 and 10-12,

Reconsideration and withdrawal of the rejections is therefore respectfully requested. In view of the above remarks, allowance of all claims pending is respectfully requested.

The prior art made of record and not relied upon is considered to be of general interest only. This application is believed to be in condition for allowance, and such action at an early date is earnestly solicited. If a telephone conference would be of assistance in advancing the prosecution of this application, the Examiner is invited to call applicant's attorney.

Respectfully submitted,

  
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